

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7547

BILL NUMBER: HB 1762

NOTE PREPARED: Jan 6, 2005

BILL AMENDED:

SUBJECT: Breaks for Pregnant Employees.

FIRST AUTHOR: Rep. Pelath

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: The bill requires an employer to provide a break of at least one hour for pregnant employees scheduled to work at least eight consecutive hours. It establishes civil penalties for violation of the requirement.

Effective Date: Upon passage; July 1, 2005.

Explanation of State Expenditures: The bill would require the Indiana Department of Labor to enforce break requirements for pregnant employees established under this bill. To the extent that the Department currently visits businesses to inspect for violation of other labor violations, this requirement would add minimal administrative costs. The funds and resources required could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. As of December 27, 2004, the Department of Labor had 36 vacant positions representing \$1.2M of salary cost. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Explanation of State Revenues: There are no data available to indicate how many employers may be subject to the civil penalties that may be imposed by the Indiana Department of Labor. The maximum penalty is \$100 per violation for the first two violations, \$200 per violation for the third and subsequent violations, and if an employer has four or more violations within a two-year period, the penalty is \$400 per violation for the fourth and subsequent violation. Civil penalties are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Labor.

Local Agencies Affected:

Information Sources:

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